

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On February 14, 2012 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on February 14, 2012 in the State Office Building.

**Members Present:** Edwin S. Greenberg, Chairman  
Bennett Millstein, Vice-Chairman  
Bruce Josephy, Secretary  
Mark A. Norman  
Pasquale A. Pepe  
John P. Valengavich

**Staff Present:** Brian A. Dillon, Director  
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF FEBRUARY 6, 2012.** Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of February 6, 2012. The motion passed unanimously.

### REAL ESTATE- UNFINISHED BUSINESS

#### REAL ESTATE- NEW BUSINESS

**PRB #** 12 - 021 **Transaction/Contract Type:** RE / Lease

**Origin/Client:** DOT / DOT

**File No.:** AERO-5600-26

**Lessee:** U.S. Airways, Inc.

**Property:** Bradley International Airport ("BIA"), Windsor Locks

**Project Purpose:** Short Term Air Carrier Lease and Operating Agreement

**Item Purpose:** Short Term Lease Agreement to provide the 2<sup>nd</sup> Party space at BIA including passenger holding areas, ticket counters, passenger queuing areas, staff offices, baggage areas and operational space in addition to use/access payments for the airline apron area and jet bridge debt.

**PRB #** 12 - 022 **Transaction/Contract Type:** RE / Lease

**Origin/Client:** DOT / DOT

**File No.:** AERO-5600-52

**Lessee:** United Airlines, Inc.

**Property:** Bradley International Airport ("BIA"), Windsor Locks

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**Project Purpose:** Short Term Air Carrier Lease and Operating Agreement

**Item Purpose:** Short Term Lease Agreement to provide the 2<sup>nd</sup> Party space at BIA including passenger holding areas, ticket counters, passenger queuing areas, staff offices, baggage areas and operational space in addition to use/access payments for the airline apron area and jet bridge debt.

**PRB #** 12 - 023      **Transaction/Contract Type:** RE / Lease

**Origin/Client:** DOT / DOT

**File No.:** AERO-5600-49

**Lessee:** Delta Airlines, Inc.

**Property:** Bradley International Airport ("BIA"), Windsor Locks

**Project Purpose:** Short Term Air Carrier Lease and Operating Agreement

**Item Purpose:** Short Term Lease Agreement to provide the 2<sup>nd</sup> Party space at BIA including passenger holding areas, ticket counters, passenger queuing areas, staff offices, baggage areas and operational space in addition to use/access payments for the airline apron area and jet bridge debt.

**PRB #** 12 - 024      **Transaction/Contract Type:** RE / Lease

**Origin/Client:** DOT / DOT

**File No.:** AERO-5600-1097

**Lessee:** Southwest Airlines Co.

**Property:** Bradley International Airport ("BIA"), Windsor Locks

**Project Purpose:** Short Term Air Carrier Lease and Operating Agreement

**Item Purpose:** Short Term Lease Agreement to provide the 2<sup>nd</sup> Party space at BIA including passenger holding areas, ticket counters, passenger queuing areas, staff offices, baggage areas and operational space in addition to use/access payments for the airline apron area and jet bridge debt.

The Board reviewed these contracts for short-term agreements between the State of Connecticut and the four air carriers referenced above to lease a base of operation to engage in commercial air transportation. The current operating agreements expired June 30, 2011.

The agreements are month to month term leases that provide for the use of the airfield area, terminal building, and apron areas at Bradley International Airport. Each airline pays its pro-rata share based on landing fees, the apron area leased (gates) and square feet occupied throughout the terminal.

The short-term agreements will stay in place while long term contracts are negotiated. DOT is negotiating long term operating agreements with the airlines. The (7) current carriers are Air Canada (Jazz Air), American, Delta, Jet Blue, Southwest, United/Continental, and US Airways. The budget established for FY2012 estimates 2.9 million enplaned passengers, and total revenues received from airlines to be \$29.256 million.

Ms. Goodhouse explained that DOT regulations §15-41-45 define the annual operating and capital budgets, according to which annual lease rates and charges are established, based on bond debt payment and airport operating costs (see Section 15-41-45 (i)). The FY2012 rate for terminal space is \$62.97/SF. The jet bridge

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(apron area) fee is \$820.38/linear foot. The regulations also establish landing fees based a “landing fee coefficient”, frequency factor and weight factor.

The regulations provide a higher rental rate for users (itinerant fees) that do not have an operating agreement in place. Documentation being complete, Ms. Goodhouse recommended Board approval. Since the current operating agreements have expired, it is prudent for the State to have these short-term agreements in place, specifying the Second Parties’ demised premises and requirements for insurance, surety, record keeping and indemnification.

**ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

**ARCHITECT-ENGINEER – NEW BUSINESS**

**PRB#** 12-027 **Transaction/Contract Type:** AE / Contract Amendment  
**Project Number:** BI-JA-441 **Origin/Client:** DCS/DOC  
**Contract:** BI-JA-441-ENG  
**Consultant:** BVH Integrated Services, Inc.  
**Property:** Manson Youth Center, Cheshire

**Project Purpose:** Upgrades, Repairs and Renovations to Hot Water Piping and A/C Systems  
**Item Purpose:** Contract Amendment #1 to compensate the consultant for construction phase engineering support and expanded construction administrations services.

Mr. Dillon reported that the Manson Youth Center is a Level 4 high security facility that opened with 360 inmate cells in 1982. In 1988, the number of cells increased to 720. In 1999, DOC added a 155,000 SF health, education and training building. Inmate cells are located in ten separate 7,000 SF buildings, each with 3 wings.

The scope of professional services includes the design replacement of the failing existing direct buried hot water piping to each of ten (10) 7,000± SF residential buildings at the Manson Youth Center. The project also includes the installation of chilled water piping to each of the buildings and mechanical upgrades of building systems to include air conditioning. In 2004, construction and total project budgets were estimated at \$5,600,000 and \$6,830,940 during the project scope and design phase. In June 2011, the project scope was slightly expanded based on minor design modifications and the current project budgets are estimated at \$6,300,000 and \$7,855,200 for the construction and total project budgets respectively. Based on the current budget and revised construction program, BVH has submitted a proposal for Contract Amendment #1 to DCS which covers the following additional scope items:

• Construction Phase Engineering Services	\$112,000
• Expanded Construction Administration Services	<u>\$313,000</u>
<b>TOTAL</b>	<b>\$425,000</b>

SPRB staff has evaluated the total fee and recommended that the SPRB approve Contract Amendment #1 for BVH Integrated Services Inc. at the Manson Youth Center. The total BVH fee for basic services to date is \$417,000, being 7.45% of construction budget. This is within the maximum guideline rate for this Group A project is rate of 9.00% for this new construction and renovation project with an additional 1% for construction administration for a maximum fee of 10.00% for basic services. In addition the overall CA fee amounts to 4.97% of the construction budget which is within the recommended limit of 5%.

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**OTHER BUSINESS**

The Board took the following votes in Open Session:

**PRB FILES #12-021, #12-022, #12-023 & #12-024** - Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB Files #12- 021 through and including #12-024. The motion passed unanimously.

**PRB FILE #12-027** – Mr. Norman moved and Mr. Valengavich seconded a motion to approve PRB File #12-027. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Bruce Josephy, Secretary